

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF LOUISVILLE GAS AND ELECTRIC)	
COMPANY FOR AN ORDER AUTHORIZING THE)	CASE NO.
ISSUANCE OF SECURITIES AND ASSUMPTION OF)	2012-00233
OBLIGATIONS)	

COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION TO
LOUISVILLE GAS AND ELECTRIC COMPANY

Louisville Gas and Electric Company ("LG&E"), pursuant to 807 KAR 5:001, is to file with the Commission the original and eight copies of the following information, with a copy to all parties of record. The information requested herein is due within seven days of the date of this request. Responses to requests for information shall be appropriately bound, tabbed and indexed. Each response shall include the name of the witness responsible for responding to the questions related to the information provided.

Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or the person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

LG&E shall make timely amendment to any prior response if it obtains information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which

LG&E fails or refuses to furnish all or part of the requested information, it shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention shall be given to copied material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request.

1. Refer to LG&E's response to Item 5 of the Commission Staff's Initial Request for Information. In real terms, explain the interest rate impact of issuing \$250 million in index eligible First Mortgage Bonds as opposed to issuing some lower amount, for example \$100 million. The explanation should include the net savings inherent in waiting to refinance short-term debt at the \$250 million level, including any fees incurred due to issuing bonds more frequently at lower amounts, before becoming index eligible.

2. Explain in detail the characteristics, advantages, and disadvantages of issuing "index eligible First Mortgage Bonds" and how they differ from bonds that are not "index eligible."


Jeff Derouen
Executive Director
Public Service Commission
P.O. Box 615
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DATED JUL 13 2012

cc: Parties of Record

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